

MEMORANDUM FOR SECRETARY OF THE NAVY
UNDER SECRETARY OF THE NAVY

Subj: FISCAL YEAR 2003 OFFICER GRADE CONTINUATION PLAN

Ref: (a) Title 10, U.S. Code
(b) DoD Directive 1320.8
(c) SECNAVINST 1920.7A
(d) SECNAVINST 1412.8

Encl: (1) FY-03 URL/RL/Staff Corps Continuation Plan
(2) FY-03 LDO Continuation Plan
(3) FY-03 CWO Continuation Plan
(4) Precept

1. I recommend approval of the FY-03 Officer Grade Continuation Plan authorizing continuation boards for commissioned officers on the active duty list in the grades of commander, lieutenant commander, and lieutenant presented in enclosures (1) and (2); and chief warrant officer presented in enclosure (3). The plan conforms to the provisions of references (a) through (d). Enclosure (4) is the precept and supplemental guidance for all continuation boards.

2. Reference (a) requires that lieutenant commanders and lieutenants, who have twice failed of selection (2XFOS) to the next higher grade, be discharged unless continued on active duty under the Service Secretary's authority. Recommend continuing lieutenant commanders, who are within six years of retirement eligibility, until they are eligible for retirement under §6323 of reference (a). Additionally, recommend continuing lieutenant commanders not within six years of retirement eligibility for three-year increments until these officers are qualified for retirement under §6323 of reference (a).

3. During the drawdown, Temporary Early Retirement Authority (TERA) was used to retire 2XFOS lieutenant commanders at 15-20 years of service; however, due to current and forecasted manning challenges, these officers are now needed in the force. TERA legislative authority expired December 31, 2001, therefore, recommend these officers be continued until retirement eligible, as has been the policy since FY-00 and prior to FY-94.

4. As a result of existing or projected manning shortfalls and/or special skill requirements, recommend continuing qualified 2XFOS lieutenants for three years in the following communities: Aviation, Surface Warfare, Submarine, Special Operations,

Subj: FISCAL YEAR 2003 OFFICER GRADE CONTINUATION PLAN

Fleet Support, Intelligence, Oceanography, Supply Corps, Medical Service Corps, and Nurse Corps.

5. Reference (a) requires Limited Duty Officer (LDO) lieutenant commanders and lieutenants and chief warrant officers (CWO) to retire at 30 years of active service. Recommend continuing LDO lieutenant commanders who are eligible for promotion to the grade of commander in FY-03 and who are subject to statutory retirement for years of service until those who are selected for promotion are promoted or until 30 September 2002 for those who are not. Additionally, recommend continuing LDO commanders selected for promotion to captain who are subject to statutory retirement for years of service until they are able to accept appointment to the next higher grade.

6. Recommend continuing beyond 30 years of active service those CWOs who have been selected for promotion to the next higher CWO grade and who are subject to involuntary retirement for years of service prior to 1 November 2003. Additionally, recommend continuing those CWOs serving in a temporary LDO grade who have been selected for promotion to the next higher temporary LDO grade and whose statutory retirement date is prior to 1 October 2003. Continuation allows these CWOs to acquire sufficient time in grade to retire in the higher grade.

7. Continuation boards will be conducted immediately following the corresponding promotion board, utilizing the same membership and forwarding each record of proceedings at the same time.

V. E. Clark

SECNAV DECISION:

Approved: _____

Disapproved: _____

Other: _____

URL/RL/Staff Corps Implementation and Procedural Guidance

1. Continuation Plan. Pursuant to §637 of reference (a), FY-03 URL/RL/Staff Corps continuation boards will convene under §611(b) of reference (a) to consider for continuation on active duty all lieutenant commanders on the active duty list and certain lieutenants on the active duty list who are subject to discharge under §632 of reference (a).

a. Lieutenant Commander Continuation

(1) All lieutenant commanders on the active duty list subject to discharge under §632 of reference (a), will be considered by the lieutenant commander continuation selection board.

(2) Continuation periods will be offered as follows:

(a) Lieutenant commanders within six years of retirement eligibility who are selected for continuation will be continued until the officer qualifies for retirement under §6323 of reference (a). The continuation period will be the shorter of the time required for the officer to attain 20 years of active service or retirement under TERA if subsequently available. Reference (b) provides that lieutenant commanders within six years of retirement eligibility shall normally be continued on active duty until eligible for retirement under §6323 of reference (a).

(b) Lieutenant commanders with more than six years until retirement eligibility who are selected for continuation will be continued for the shorter of three years or until the officer qualifies for retirement under §6323 of reference (a), which includes TERA if subsequently available. The continuation of these officers in three-year increments is in the best interest of the Navy and has been incorporated in the officer grade promotion plan.

b. Lieutenant Continuation. As a result of low retention, existing or projected manning shortfalls and/or special skill requirements, the lieutenant continuation board will consider for continuation on active duty lieutenants on the active duty list who are subject to discharge under §632 of reference (a) for twice failing of selection for promotion to lieutenant commander in the following communities: Aviation (1310/1320), Surface Warfare (1110), Submarine (1120), Special Operations (1140), Fleet Support (1100), Intelligence (1630), Oceanography (1800), Supply Corps (3100), Medical Service Corps (2300), and Nurse Corps (2900). Those lieutenants recommended for continuation will be continued on active duty for a period of three years.

c. FY-03 URL/RL/Staff Corps continuation boards will not be convened to consider for continuation on active duty:

(1) Officers on the active duty list in the grade of captain or commander, and

(2) Lieutenants on the active duty list other than Aviation (1310/1320), Surface Warfare (1110), Submarine (1120), Special Operations (1140), Fleet Support (1100), Intelligence (1630) Oceanography (1800), Supply Corps (3100), Medical Service Corps (2300), Nurse Corps (2900), and Limited Duty Officer (LDO) lieutenants as specified in enclosure (2).

2. Implementation and Procedural Guidance

a. The FY-03 URL/RL/Staff Corps lieutenant commander and lieutenant continuation selection boards will convene in the second and third quarter, FY-02. Officers selected for continuation may remain on active duty for the period specified in the following paragraphs unless reaching 62 years of age, as stipulated in §1251(a) of reference (a). Per §637(a)(2) of reference (a), lieutenants may not be continued beyond 20 years of active commissioned service.

b. The lieutenant commander continuation selection board shall normally recommend for continuation all lieutenant commanders who will be within six years of retirement eligibility under §6323 of reference (a) as of the first day of the seventh month following the month in which the President approved the report of the most recent promotion selection board that considered the officer and failed to recommend the officer for promotion. An officer in this category who accepts continuation will be continued until, but not beyond, the date the officer qualifies for retirement under §6323 of reference (a), including TERA if subsequently available.

c. The lieutenant commander continuation selection board shall normally recommend for continuation all lieutenant commanders who will not be within six years of retirement eligibility under §6323 of reference (a) as described in paragraph 2.b. An officer in this category who accepts continuation will be continued for the shorter period of three years or until the officer qualifies for retirement under §6323 of reference (a), which includes TERA if subsequently available. The three year continuation period will begin on the first day of the seventh month following the month in which the President approved the report of the most recent promotion selection board that considered the officer and failed to recommend the officer for promotion.

d. All officers within two years of qualifying for retirement under §6323 of reference (a) will not be considered for continuation, but will be retained until retirement eligible. In no case will any lieutenant commander be continued beyond the time the officer first becomes eligible for retirement under §6323 of reference (a), including TERA if subsequently available.

e. The lieutenant continuation board shall consider and normally recommend for continuation on active duty lieutenants on the active duty list in Aviation (1310/1320), Surface Warfare (1110), Submarine (1120), Special Operations (1140), Fleet Support (1100), Intelligence (1630), Oceanography (1800), Supply Corps (3100), Medical Service Corps (2100), and Nurse Corps (2900) required to be discharged under §632 of reference (a). Lieutenants in this category accepting continuation shall be continued on active duty for a period of three years. The period of continuation will begin on the first day of the seventh month beginning after the month in which the President approved the report of the most recent promotion selection board that considered the officer and failed to recommend the officer for promotion.

LDO Implementation and Procedural Guidance

1. Continuation Plan

a. It is in the best interest of the Navy to continue on active duty permanent LDO lieutenant commanders on the active duty list who twice failed of selection to commander until retirement eligible.

b. It is in the best interest of the Navy to continue on active duty permanent LDO commanders, lieutenant commanders, and lieutenants on the active duty list whose names are on the FY-03 promotion list, and who are subject to involuntary retirement for years of service before their actual promotion dates. The promotion selection board recommended these officers as the best qualified for promotion. Continuation will permit these officers to accept their promotions to the next higher grade.

c. It is in the best interest of the Navy to continue on active duty those permanent LDO lieutenant commanders and lieutenants on the active duty list who reach their statutory retirement dates for years of active service prior to attaining six months time-in-grade. Continuation will permit these officers to retire in the higher grade.

d. It is in the best interest of the Navy to continue on active duty permanent LDO lieutenant commanders on the active duty list who are eligible for promotion to commander, and who are required to statutorily retire for years of active service prior to the end of the fiscal year. Continuation will permit those officers who are selected for promotion to remain on active duty until their promotion date. Those officers not selected for promotion will be continued and retired not later than the end of FY-03.

e. Pursuant to §6383(k) of reference (a) and reference (d), LDO continuation boards will be convened under §611(b) of reference (a) to consider these officers for continuation on active duty:

(1) Permanent LDO lieutenant commanders who twice failed of selection to commander will be continued until the officer qualifies for retirement under §6323 of reference (a). The continuation period will be the shorter of the time required for the officer to attain 20 years of active service or retirement under TERA if subsequently available.

(2) Permanent LDO lieutenants whose names are on a FY-03 promotion list will be continued to attain sufficient time-in-grade after promotion to retire in the higher grade. Specifically, they will be continued to the first day of the month after the month in which the officer will have completed six months service in the higher grade.

(3) Permanent LDO lieutenant commanders selected to commander who meet the criteria specified above will be continued to their date of promotion.

(4) Permanent LDO lieutenant commanders who are eligible for promotion to commander in FY-03, and who are required to statutorily retire for years of active service prior to the end of FY-02. Those officers who are selected for promotion will be continued to their promotion date. Those officers not selected for promotion will be retired not later than the end of the fiscal year, 30 September 2002.

2. Implementation and Procedural Guidance. The FY-03 LDO commander, lieutenant commander, and lieutenant continuation boards will convene when and if required by FY-03 promotion board action. Officers selected for continuation may remain on active duty for the period specified below. No officer recommended for continuation on active duty under any of the following paragraphs may be continued beyond 62 years of age in accordance with §1251 of reference (a).

a. LDO Commander Continuation Board

(1) The board shall consider and normally recommend for continuation on active duty all permanent LDOs on the active duty list in the grade of commander who are on an FY-03 promotion list for promotion to the grade of captain, and who will be subject to retirement under §6383 for completion of 35 years of active Naval service before the date they are actually to be promoted to captain. Officers in this category who are selected for and accept continuation shall be continued on active duty until their promotion date to captain. The period of continuation shall begin on the first day following the day on which they otherwise would have been required to retire from active duty.

(2) Upon acceptance of an appointment to captain, under §6383 of reference (a), the officer is not subject to mandatory retirement until completion of 38 years of active Naval service.

b. LDO Lieutenant Commander Continuation Board

(1) The board shall consider and normally recommend for continuation on active duty all permanent LDOs on the active duty list in the grade of lieutenant commander who twice failed of selection to commander. An officer in this category who accepts continuation will be continued until, but not beyond, the date the officer qualifies for retirement under §6323 of reference (a), including TERA if subsequently available.

(2) The board shall consider and normally recommend for

continuation on active duty all permanent LDOs in the grade of lieutenant commander who are on an FY-03 promotion list for promotion to the grade of commander, and who will be subject to retirement under §6383 for completion of 30 years of active Naval service before the date they are actually to be promoted to commander. Officers in this category who are selected for and accept continuation shall be continued on active duty until their promotion date to commander. The period of continuation shall begin on the first day following the day on which they otherwise would have been required to retire from active duty.

(3) The board shall consider and normally recommend for continuation on active duty all permanent LDOs in the grade of lieutenant commander who are eligible for promotion to the grade of commander in FY-03, and who will be subject to retirement under §6383 for completion of 30 years of active Naval service before the end of FY-02. Officers in this category who are selected for and accept continuation shall be continued on active duty until their promotion date to commander if selected for promotion or until 30 September 2002 if not selected for promotion. The period of continuation shall begin on the first day following the day on which they otherwise would have been required to retire from active duty.

(4) Upon acceptance of an appointment to commander, under §6383 of reference (a), the officer is not subject to mandatory retirement until completion of 35 years of active Naval service or upon twice failing of selection for promotion to the grade of captain, whichever occurs first.

c. LDO Lieutenant Continuation Board

(1) The board shall consider and normally recommend for continuation on active duty all permanent LDOs on the active duty list in the grade of lieutenant who are on an FY-03 promotion list for promotion to the grade of lieutenant commander, and who will be subject to retirement under §6383 for completion of 30 years of active Naval service before the date they will complete six months service in the grade of lieutenant commander. Officers in this category who are selected for and accept continuation shall be continued on active duty for a period of six months after their promotion date to lieutenant commander. The period of continuation shall begin on the first day following the day on which they otherwise would have been required to retire from active duty.

(2) Lieutenants, eligible for continuation as described in paragraph 2c(1) above whose promotion date precedes their statutory retirement date and who decline such promotion, shall not be continued beyond the completion of 30 years of active Naval service.

CWO Implementation and Procedural Guidance

1. Continuation Plan

a. It is in the best interest of the Navy to continue on active duty:

(1) Regular chief warrant officers (CWOs) whose names are on an FY-03 promotion selection list and whose statutory retirement dates are prior to 1 November 2003; and

(2) CWOs serving in a higher temporary LDO grade, whose names are on an FY-03 LDO promotion list for the next higher temporary grade and whose statutory retirement dates for years of active Naval service occur before their actual promotion dates.

b. The promotion selection board considered these officers "best qualified" for promotion. Continuation will permit these officers to accept promotion to the next higher grade.

c. In addition, it is in the best interest of the Navy to continue selected CWOs. Per §1305 of reference (a) and reference (d), continuation boards will be convened to consider on active duty both:

(1) Regular CWOs who reach their statutory retirement dates for years of active service prior to completing the time-in-grade necessary to retire in the higher grade. These officers will be continued to the 31st day after the day on which they are to be promoted to the next higher grade.

(2) Regular CWOs who are serving in a higher temporary LDO grade who reach their statutory retirement dates for years of active service prior to completing the time-in-grade necessary to retire in the higher grade. These officers will be continued for a period of six months after the day on which they are promoted to the next higher grade.

d. Continuation of CWOs, who twice fail of selection (FOS) for promotion and who are not on an FY-03 promotion list is governed by §580 of reference (a).

2. Implementation and Procedural Guidance. The FY-03 CWO continuation boards will convene when and if required by FY-03 promotion board action. Officers selected for continuation may remain on active duty for the period specified below but not later than 60 days after reaching 62 years of age, the statutory age limit for service on active duty by warrant officers, as stipulated by §1263 and §1305 of reference (a). No officer recommended for continuation on active duty under any of the

following paragraphs may be continued more than 60 days beyond 62 years of age, except when such retirement has been deferred specifically by the Secretary of the Navy.

a. Continuation boards for Regular CWOs. The boards shall consider and normally recommend for continuation on active duty all Regular CWOs who are on an FY-03 CWO promotion list for promotion to the next higher CWO grade and who are subject to retirement under §1305 of reference (a) for completion of 30 years of active service. Officers in this category who are selected for and accept continuation shall be continued on active duty for a period of 31 days beyond their promotion date in order to complete the minimum time-in-grade for retirement stipulated by §1371 of reference (a). The period of continuation shall begin on the first day following the day on which they otherwise would have been required to retire from active duty.

b. Continuation boards for Regular CWOs serving in a higher temporary LDO grade.

(1) The boards shall consider and normally recommend for continuation on active duty all Regular CWOs serving in a higher temporary LDO grade who are on an FY-03 LDO promotion list for promotion to the next higher LDO grade, and who are subject to retirement under §1305 for completion of 30 years of active Naval service prior to their actual promotion date to the next higher LDO grade. Officers in this category who are selected for and accept continuation shall be continued on active duty for a period of six months beyond their promotion date in order to complete the minimum time-in-grade for retirement stipulated by §1370 of reference (a). The period of continuation shall begin on the first day following the day on which they otherwise would have been required to retire from active duty.

(2) Officers in this category whose promotion date precedes their statutory retirement date and who decline their promotion to the next higher LDO grade shall not be continued beyond their statutory retirement date.

c. CWOs who have twice failed of selection and have completed 18 or more years of service on their mandatory separation date will be retained on active duty until they reach 20-year retirement eligibility in accordance with §580 of reference (a). Continuation boards are not required for this purpose.